



4004

ANNUAL REPORT

OF

Name: SHARON TELEPHONE COMPANY

Principal Office: 105 PLAIN ST
P.O. BOX 400
SHARON, WI 53585-0400

For the Year Ended: DECEMBER 31, 1997

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used, however please show the exact name of the respondent in full on the "Identification and Ownership" page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the notes to the income statement or the balance sheet, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

SIGNATURE PAGE

I MR. DONALD E. WEIG of
(Person responsible for accounts)

SHARON TELEPHONE COMPANY, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

MR. DONALD E. WEIG 04/30/1998
(Person responsible for accounts) (Date)

PRESIDENT
(Title)

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
CO	.....	Central Office
Depr	.....	Depreciation
Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
FOY	.....	First of Year
Info	.....	Information
ITC	.....	Investment Tax Credit
Misc	.....	Miscellaneous
Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
Prop	.....	Property
Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
Svcs	.....	Services
Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: SHARON TELEPHONE COMPANY
Utility Location: 105 PLAIN ST
P.O. BOX 400
SHARON, WI 53585-0400

Utility Web Site Address:

When was utility organized?: 05/26/1900

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR DONALD E. WEIG
Title: PRESIDENT

Office Address: 105 PLAIN STREET
P.O. BOX 400
SHARON, WI 53585

Fax Number: (414) 736 - 9200
Telephone Number: (414) 736 - 9981
Email Address:

Individual or firm, if other than utility employee, preparing this report

Name: MR GARY L. MEIER
Title: CERTIFIED PUBLIC ACCOUNTANT
Firm: SIEPERT & CO. LLP
Office Address: 1920 WEST HART ROAD
BELOIT, WI 53511

Fax Number: (608) 364 - 8727
Telephone Number: (608) 365 - 2266
Email Address:

Person responsible for financial information contained in report

Name: MR DONALD E. WEIG
Title: PRESIDENT

Office Address: 105 PLAIN STREET
P.O. BOX 400
SHARON, WI 53585

Fax Number: (414) 736 - 9200
Telephone Number: (414) 736 - 9981
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Person responsible for statistical information contained in report

Name: MR DONALD E. WEIG
Title: PRESIDENT

Office Address: 105 PLAIN STREET
P.O. BOX 400
SHARON, WI 53585

Fax Number: (414) 736 - 9200
Telephone Number: (414) 736 - 9981
Email Address:

IDENTIFICATION AND OWNERSHIP

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: DONALD E. WEIG & JOYCE M. WEIG
Address: PO BOX 283
SHARON, WI 53585

Number of Shares Held: 300
Beneficial Owner: NONE

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name: THE BERGEN TELEPHONE COMPANY
Form of Interest: MANAGE AND OPERATE
Extent Of Interest: SEE FOOTNOTE A

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	909,190	817,806	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	220,563	225,253	2
Plant Nonspecific Operations Expense	182,625	168,010	3
Customer Operations Expense (6610-6620)	159,886	149,162	4
Corporate Operations Expense (6710-6790)	165,830	129,106	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	96,546	77,586	7
Total Operating Expenses	825,450	749,117	8
Net Operating Income	83,740	68,689	9
Other Income			
Nonoperating Income and Expense (7300)	80,023	34,873	10
Nonoperating Taxes (7400)	29,416	7,033	11
Interest and Related Items (7500)	7,375	8,195	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	33,375	(15,932)	14
Total Nonoperating Income	76,607	3,713	15
Net Income	160,347	72,402	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

1. THE ACCOUNTING POLICIES OF THE COMPANY CONFORM TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND REFLECT PRACTICES APPROPRIATE TO THE TELEPHONE INDUSTRY. THE COMPANY GRANTS CREDIT TO CUSTOMERS, SUBSTANTIALLY ALL OF WHOM ARE IT'S LOCAL SUBSCRIBERS OR CONNECTING COMPANIES.

2. TELECOMMUNICATIONS PLANT IN SERVICE IS RECORDED AT ORIGINAL COST AND DEPRECIATION IS COMPUTED ON THE STRAIGHT-LINE BASIS FOR STATEMENT PURPOSES. THE PROVISION RATE IS APPLIED TO GROUP ACCOUNT ASSETS FOR COMPUTATION OF ANNUAL DEPRECIATION. RETIREMENTS ARE RECORDED ON AVERAGE UNIT COSTS.

3. REDUCTION OF INCOME TAXES DUE TO INVESTMENT TAX CREDIT IS DEFERRED AND IS BEING AMORTIZED OVER THE LIFE OF THE PLANT WHICH CREATED THE CREDIT. THE COMPANY AMORTIZED \$344 AND \$351 OF INVESTMENT CREDIT FOR THE YEARS 1997 AND 1996, RESPECTIVELY.

4. PAYROLL TAXES AND EMPLOYEES' INSURANCE COSTS ARE CAPITALIZED ON ALL PLANT ADDITIONS. THIS CAPITALIZATION IS BEING TREATED AS ADDITIONS TO TELEPHONE PLANT FOR BOTH STATEMENT AND TAX PURPOSES. INTEREST DURING CONSTRUCTION IS CAPITALIZED ON CONSTRUCTION PROJECTS WITH COSTS EXCEEDING \$100,000. THERE WAS NO INTEREST DURING CONSTRUCTION CAPITALIZED DURING 1997 OR 1996.

5. REVENUE FOR INTERSTATE ACCESS SERVICES IS RECEIVED THROUGH TARIFFED ACCESS CHARGES FILED BY THE NATIONAL EXCHANGE CARRIER ASSOCIATION (NECA) WITH THE FEDERAL COMMUNICATIONS COMMISSION (FCC) ON BEHALF OF THE MEMBER COMPANIES. THESE ACCESS CHARGES ARE BILLED BY THE COMPANY TO THE INTERSTATE LONG DISTANCE CARRIER AND POOLED WITH LIKE REVENUES FROM ALL NECA MEMBER COMPANIES. THE PORTION OF THE POOLED ACCESS CHARGE REVENUE RECEIVED BY THE COMPANY IS BASED IN ACCORDANCE WITH NATIONWIDE AVERAGE COST SCHEDULES.

REVENUES ARE RECOGNIZED WHEN EARNED REGARDLESS OF THE PERIOD IN WHICH THEY ARE BILLED.

REVENUE FOR INTRASTATE SERVICES IS RECEIVED THROUGH TARIFFED ACCESS CHARGES AS FILED WITH THE STATE PUBLIC SERVICE COMMISSION. THESE ACCESS CHARGES ARE BILLED TO THE LONG DISTANCE CARRIER AND RETAINED BY THE COMPANY.

B. INDIVIDUAL RETIREMENT ACCOUNT CONTRIBUTIONS:

THE COMPANY MAKES CONTRIBUTIONS ON BEHALF OF EMPLOYEES TO A PENSION PLAN. THIS BENEFIT EXPENSE AMOUNTED TO \$16,026 FOR 1997.

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.
-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	254,209	369,512	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	254,209	369,512	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	51,653	46,518	6
Accounts Receivable Allowance-Telecom (1181)*			7
Net: Telecommunications Accounts Receivable	51,653	46,518	
Other Accounts Receivable (1190)*	147,051	123,654	8
Accounts Receivable Allowance--Other (1191)*			9
Net: Other Accounts Receivable	147,051	123,654	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	239	239	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	198,943	170,411	
SUPPLIES			
Inventories (1220)*	91,245		13
TOTAL SUPPLIES	91,245	0	
PREPAYMENTS			
Total Prepayments (1280)*	18,113	59,726	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	18,113	59,726	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*			20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	562,510	599,649	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
Investments in Nonaffiliated Companies (1402)*	15,526	15,526	22
Nonregulated Investments (1406)*	219,707	336,210	23
Unamortized Debt Issuance Expense (1407)*			24
Sinking Funds (1408)*	0	0	25

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*			26
TOTAL INVESTMENTS	235,233	351,736	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*			29
TOTAL DEFERRED CHARGES	0	0	
TOTAL NONCURRENT ASSETS	235,233	351,736	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	2,519,385	2,113,794	30
Less: Accumulated Depreciation (3100)*	1,117,125	1,053,306	31
Less: Accumulated Amortization--Capitalized Leases (3410)*			32
Less: Accumulated Amortization--Leasehold Improvements (3420)*			33
Less: Accumulated Amortization--Intangible (3500)*			34
NET TELECOMMUNICATIONS PLANT IN SERVICE	1,402,260	1,060,488	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*			35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*			36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*			37
Less: Accumulated Depreciation--Nonoperating (3300)*			38
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*		1,127	39
TOTAL TPUC	0	1,127	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*			40
Less: Accumulated Amortization--Other (3600)*			41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	1,402,260	1,061,615	
TOTAL ASSETS AND OTHER DEBITS*	2,200,003	2,013,000	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	38,172	50,393	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*			3
Customer Deposits (4040)*	5,832	5,414	4
Current Maturities--Long-Term Debt (4050)*	25,136	23,120	5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*	47,343		7
Other Taxes--Accrued (4080)*	22	412	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	4,142	6,485	11
Other Current Liabilities (4130)*			12
TOTAL CURRENT LIABILITIES*	120,647	85,824	
LONG-TERM DEBT			
Funded Debt (4210)*	0	0	13
Premium on Long-Term Debt (4220)*			14
Discount on Long-Term Debt (4230)*			15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*			17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	34,523	59,659	19
TOTAL LONG-TERM DEBT*	34,523	59,659	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*			20
Unamortized Operating ITC--Net (4320)*	922	1,266	21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*	79,183	68,538	23
Net Deferred Tax Liability Adjustments (4341)*	0	0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*			25
Other Deferred Credits (4360)*			26
Deferred Tax Regulatory Liability (4361)*	1,402	1,402	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	81,507	71,206	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	15,000	15,000	28
Additional Paid-in Capital (4520)*			29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*			31
Retained Earnings (4550)*	1,948,326	1,781,311	32
TOTAL STOCKHOLDERS' EQUITY*	1,963,326	1,796,311	
TOTAL LIABILITIES AND OTHER CREDITS*	2,200,003	2,013,000	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	167,015	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	168,773	2
Interest during construction	0	3
Changes in assets and liabilities:		
Current assets (net)	(78,164)	4
Other noncurrent assets	0	5
Other current liabilities	32,807	6
Other liabilities and deferred credits	10,301	7
Other (specify):		
TOTAL ADJUSTMENTS	133,717	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	300,732	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(509,418)	8
Investments in affiliated companies	0	9
Nonoperating Investments	116,503	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(392,915)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	(23,120)	12
Net changes in stockholder equity other than retained earnings	0	13
Change in short term borrowing (net)	0	14
Dividends paid	0	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	(23,120)	
NET INCREASE IN CASH AND CASH EQUIVALENTS	(115,303)	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

IMPORTANT CHANGES DURING THE YEAR

1. Give the name and address of all companies which during the year came under the direct control of the respondent otherwise than through title to securities, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

NONE

2. Give the name and address of all companies which during the year came under the indirect control of the respondent through non-reporting intermediaries, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, the name and address of the intermediary through which the indirect control exists, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

NONE

3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, and other conditions.

NONE

4. List extension of system (other than additions supplementing existing facilities of the respondent) whether by purchase, construction, donation, or otherwise, such as a substantially complete telephone system, exchange or toll line. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, the consideration given, and reference to Commission authorization.

DURING 1997 THE COMPANY EXPANDED ITS SERVICE AREA INTO THE COMMUNITY OF DARIEN, WISCONSIN.

5. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

THE COMPANY RECEIVED APPROVAL TO INCREASE LOCAL SERVICE RATES EFFECTIVE 11/1/97. THE EFFECT OF THIS INCREASE IS PROJECTED TO BE A REVENUE INCREASE APPROXIMATING \$37,000 ON AN ANNUAL BASIS.

6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue.

NONE

7. Changes in articles of incorporation or amendments to charter.

NONE

8. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

NONE

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
THE BERGEN TELEPHONE COMPANY	BERGEN	1

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing and categorize billings according to the account categories shown below.

Particulars	(a)	(b)	(c)	(d)	(e)	
Docket		5340-AT-000100				
Name of Affiliate		BERGEN				1
Designate whether billed to or from:		TO				2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)		C				3
Revenues						4
Expenses:						
Plant Specific Operations Expense		38,761				5
Plant Nonspecific Operations Expense		5,737				6
Customer Operations Expense		33,755				7
Corporate Operations Expense		57,041				8
Total Operating Expenses		135,294	0	0	0	9
Other:						
Plant Accounts		4,219				10
Accumulated Depreciation						11
Accumulated Amortization						12
Clearing						13
All Other		6,611				14
Total		146,124	0	0	0	15
Percent of affiliate's business billed to all affiliated regulated utilities						16
If cost based, rate of return on equity or markup incorporated in billings						17
Footnotes						

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 4010, Accounts Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account. Affiliated amounts recorded in accounts 1200, Notes Receivable, 1408, Sinking Funds, and 4020, Notes Payable, should not be reported in this schedule, but rather in the respective schedules contained elsewhere in this report.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
THE BERGEN TELEPHONE COMPANY	1190	21,555	1

ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

This schedule should be used to report accounts receivable net write off activity.

Particulars (a)	Amount (b)	
Collection of amounts previously written off		1
Uncollectibles written off during the year	787	2
Net write offs during the year	787	

NOTES RECEIVABLE (ACCT. 1200) AND ALLOWANCES (ACCT. 1201)

For affiliates, list by issue or note by affiliate. Other, list by issue or note by entity. Separately identify economic development loans and associated particulars.

Name of Maker and purpose (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Amount EOY (e)	Allowance Acct. 1201 (f)
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NONE

Total				<u><u>0</u></u>	<u><u>0</u></u>	1
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INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	0	1
Other:		
WISCONSIN INDEPENDENT TELECOMMUNICATIONS SYSTEMS, INC.	15,500	2
COMMON STOCK - CENTRAL CELLULAR	26	3
Total Investments in Nonaffiliated Companies	15,526	

NONREGULATED INVESTMENTS (ACCT. 1406)

Report below the name and end-of-year balance of total net investment and inventory (accts. 1406.10, 1406.11 and 1406.12) for each nonregulated activity. Telephone utilities not subject to dual jurisdiction should report materials and supplies held for resale in account 1406.

Name (a)	Balance EOY (b)	
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
Permanent Investment (Acct. 1406.10)		1
Miscellaneous physical property - building-net of accumulated depr.	52,258	2
Investment in Cellular Partnership - Madison SMSA	86,726	3
Investment in Cellular Partnership - Milwaukee SMSA	65,987	4
Internet equipment - net	2,189	5
Public telephone equipment - net	1,287	6
Inventory (Acct. 1406.12) cellular telephones, other station equip. &	0	7
miscellaneous nonregulated materials	11,260	8

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

List items individually by Commission approval noting the date of approval.

Description of Item (a)	Balance EOY (b)
NONE	
Total	0

1

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	29,610	12,370	1 A
Motor Vehicles	2112	133,229	4,900	2
Aircraft	2113			3
Special Purpose Vehicles	2114			4
Garage Work Equipment	2115			5
Other Work Equipment	2116	219,135	157,390	6
Buildings	2121	263,351	58,143	7
Furniture	2122	9,492	927	8
Office Equipment	2123	22,536	0	9
General Purpose Computers	2124	243,165	1,496	10
TOTAL--GENERAL SUPPORT ASSETS:		920,518	235,226	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211			11
Digital Electronic Switching	2212	467,755	115,059	12
Electro-Mechanical Switching	2215	17,093	0	13
Operator Systems	2220			14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	80,779	664	16
TOTAL--CENTRAL OFFICE ASSETS:		565,627	115,723	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311			17
Customer Premises Wiring	2321			18
Large Private Branch Exchanges	2341			19
Public Telephone Terminal Equipment	2351	6,627	2,025	20 B
Other Terminal Equipment	2362			21
TOTAL--INFORMATION ORIG/TERM ASSETS:		6,627	2,025	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	6,352		22
Aerial Cable	2421	153,057	38,622	23 A
Underground Cable	2422	0	0	24
Buried Cable	2423	459,612	83,924	25 A
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425			27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	445		29
Conduit Systems	2441	1,556		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		621,022	122,546	
AMORTIZABLE ASSETS				
Capital Leases	2681			31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111		1,276	43,256	1 A
2112			138,129	2
2113			0	3
2114			0	4
2115			0	5
2116			376,525	6
2121			321,494	7
2122	3,600		6,819	8
2123	8,826	0	13,710	9
2124	55,397		189,264	10
	67,823	1,276	1,089,197	
2211			0	11
2212	0	0	582,814	12
2215	0	0	17,093	13
2220			0	14
2231	0	0	0	15
2232	0	0	81,443	16
	0	0	681,350	
2311			0	17
2321			0	18
2341			0	19
2351		(8,652)	0	20 B
2362			0	21
	0	(8,652)	0	
2411			6,352	22
2421	7,800	3,431	187,310	23 A
2422	0	0	0	24
2423	27,200	37,284	553,620	25 A
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431	445		0	29
2441			1,556	30
	35,445	40,715	748,838	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682		32
Intangibles	2690		33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	2,113,794	475,520
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			0	33
	0	0	0	
	103,268	33,339	2,519,385	
2001			0	34
			2,519,385	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	22,536		1
Company Communications Equipment	2123.2			2
Software	2212.1			3
Digital Switching - Central Office	2212.2	467,755	115,059	4
Digital Switching - Remote	2212.3			5
Step by Step Switching	2215.1	17,093		6
Crossbar Switching	2215.2			7
Satellite and Earth Station Facilities	2231.1			8
Other Radio Facilities	2231.2			9
Digital Circuit Equipment	2232.1	80,779	664	10
Analog Circuit Equipment	2232.2			11
Light Wave Circuit Equipment	2232.3			12
Aerial Cable - Nonmetallic	2421.1			13
Aerial Cable - Metallic	2421.2	153,057	38,622	14 A
Underground Cable - Nonmetallic	2422.1			15
Underground Cable - Metallic	2422.2			16
Buried Cable - Nonmetallic	2423.1			17
Buried Cable - Metallic	2423.2	459,612	83,924	18 A
Submarine Cable - Nonmetallic	2424.1			19
Submarine Cable - Metallic	2424.2			20
Intrabuilding Cable - Nonmetallic	2426.1			21
Intrabuilding Cable - Metallic	2426.2			22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS) **(cont.)**

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1	8,826		13,710	1
2123.2			0	2
2212.1			0	3
2212.2			582,814	4
2212.3			0	5
2215.1			17,093	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			81,443	10
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2	7,800	3,431	187,310	14 A
2422.1			0	15
2422.2			0	16
2423.1			0	17
2423.2	27,200	37,284	553,620	18 A
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
GENERAL SUPPORT ASSETS						
Motor Vehicles	2112	92,006	8.55	11,607		1
Aircraft	2113					2
Special Purpose Vehicles	2114					3
Garage Work Equipment	2115					4
Other Work Equipment	2116	87,717	10.0	29,783		5
Buildings	2121	119,178	3.3	9,197		6
Furniture	2122	9,492	10.0	816		7
Office Equipment	2123	17,914	20.0	3,625		8
General Purpose Computers	2124	139,751	20.0	43,243		9
Total-- GENERAL SUPPORT ASSETS		466,058		98,271		0
CENTRAL OFFICE ASSETS						
Analog Electronic Switching	2211					10
Digital Electronic Switching	2212	118,422	7.14	35,977		11
Electro-Mechanical Switching	2215	16,874	1.29	219		12
Operator Systems	2220					13
Radio Systems	2231					14
Circuit Equipment	2232	80,779	.0	(578)		15
Total-- CENTRAL OFFICE ASSETS		216,075		35,618		0
INFORMATION ORIG/TERM ASSETS						
Station Apparatus	2311					16
Customer Premises Wiring	2321					17
Large Private Branch Exchanges	2341					18
Public Telephone Terminal Equipment	2351	6,628	.0			19B
Other Terminal Equipment	2362					20
Total-- INFORMATION ORIG/TERM ASSETS		6,628		0		0
CABLE WIRE FACILITIES ASSETS						
Poles	2411	6,352	.0			21
Aerial Cable	2421	125,429	6.3	10,246		22
Underground Cable	2422					23
Buried Cable	2423	232,952	5.8	28,047		24
Submarine Cable	2424					25
Deep Sea Cable	2425					26
Intrabuilding Network Cable	2426					27
Aerial Wire	2431	(1,034)	25.0	1,479		28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	846	3.5	54	29
Total-- CABLE WIRE FACILITIES ASSETS		364,545		39,826	0
Total Accumulated Depreciation	3100	1,053,306		173,715	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					103,613	1
2113					0	2
2114					0	3
2115					0	4
2116					117,500	5
2121					128,375	6
2122	3,600				6,708	7
2123	8,826				12,713	8
2124	55,397				127,597	9
	67,823	0	0	0	496,506	
2211					0	10
2212	0				154,399	11
2215	0				17,093	12
2220					0	13
2231	0				0	14
2232	0				80,201	15
	0	0	0	0	251,693	
2311					0	16
2321					0	17
2341					0	18
2351				(6,628)	0	19 B
2362					0	20
	0	0	0	(6,628)	0	
2411					6,352	21
2421	7,800				127,875	22
2422	0				0	23
2423	27,200				233,799	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431	445				0	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					900	29
	35,445	0	0	0	368,926	
3100	103,268	0	0	(6,628)	1,117,125	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
Office Support Equipment	2123.1	17,914	20.0	3,625	1
Company Communications Equipment	2123.2				2
Software	2212.1				3
Digital Switching - Central Office	2212.2	118,422	7.14	35,977	4
Digital Switching - Remote	2212.3				5
Step by Step Switching	2215.1	16,874	1.29	219	6
Crossbar Switching	2215.2				7
Satellite and Earth Station Facilities	2231.1				8
Other Radio Facilities	2231.2				9
Digital Circuit Equipment	2232.1	80,779	.0	(578)	10
Analog Circuit Equipment	2232.2				11
Light Wave Circuit Equipment	2232.3				12
Aerial Cable - Nonmetallic	2421.1				13
Aerial Cable - Metallic	2421.2	125,429	6.3	10,246	14
Underground Cable - Nonmetallic	2422.1				15
Underground Cable - Metallic	2422.2				16
Buried Cable - Nonmetallic	2423.1				17
Buried Cable - Metallic	2423.2	232,952	5.8	28,047	18
Submarine Cable - Nonmetallic	2424.1				19
Submarine Cable - Metallic	2424.2				20
Intrabuilding Cable - Nonmetallic	2426.1				21
Intrabuilding Cable - Metallic	2426.2				22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1	8,826				12,713	1
2123.2					0	2
2212.1					0	3
2212.2					154,399	4
2212.3					0	5
2215.1					17,093	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					80,201	10
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2	7,800				127,875	14
2422.1					0	15
2422.2					0	16
2423.1					0	17
2423.2	27,200				233,799	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)

This schedule should be used to report the deferred operating income tax portion of the stated accounts. In addition, column (e) of this schedule should be used to report the flowback of property related excess deferred taxes (e.g., 46 percent versus 34 percent federal tax rates). Credit amounts should be shown in ().

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)		1
Other Noncurrent Assets (1410)		2
Deferred Tax Regulatory Asset (1437)		3
Net Current Deferred Operating Income Taxes (4100)		4
Net Noncurrent Deferred Operating Income Taxes (4340)	(71,290)	5
Net Deferred Tax Liability Adjustments (4341)		6
Deferred Tax Regulatory Liability (4361)	(1,402)	7
Net Property Related Deferred Operating Income Taxes	(72,692)	
Less: Allocation to Nonregulated Activity	(85)	8
Net Regulated Total Property Related Deferred Operating Income Taxes	(72,607)	
NONPROPERTY RELATED		
Other Current Assets (1350)		9
Other Noncurrent Assets (1410)		10
Deferred Tax Regulatory Asset (1437)		11
Net Current Deferred Operating Income Taxes (4100)		12
Net Noncurrent Deferred Operating Income Taxes (4340)	2,752	13
Net Deferred Tax Liability Adjustments (4341)		14
Deferred Tax Regulatory Liability (4361)		15
Total Nonproperty Related Deferred Operating Income Taxes	2,752	

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361) (cont.)

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250				0	1
7250				0	2
				0	3
7250				0	4
7250	(16,598)		(721)	(88,609)	5
				0	6
				(1,402)	7
	(16,598)	0	(721)	(90,011)	
	6		(6)	(85)	8
	(16,604)	0	(715)	(89,926)	
7250				0	9
7250				0	10
				0	11
7250				0	12
7250	2,741		3,933	9,426	13
				0	14
				0	15
	2,741	0	3,933	9,426	

NOTES PAYABLE (ACCT. 4020)

For affiliate, list note by affiliate. For a particular affiliate, the identical affiliate name, as shown in the Affiliate Abbreviations schedule, should be reported in this schedule. For other, list by note by entity.

Name (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Balance EOY (e)
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NONE

Total Notes Payable	<u><u>0</u></u>	1
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LONG-TERM DEBT

Report data requested and show total for each long-term debt account at end of year. Information concerning the following debt issues may be reported on individual lines in aggregate: REA/RTB 2%, REA/RTB 5%, & REA/RTB 7%. In addition, REA/RTB and FFB debt, respectively, within a range of 200 basis points may also be reported in aggregate on individual lines. If reported in aggregate, a range of dates may be reported in columns (b) and (c) as well as a range of interest rates in column (d) and a composite interest rate in column (e). If aggregation is not utilized, column (e) should contain the same interest rate as reported in column (d). For account 4050 report only the amount of debt anticipated to be repaid in one year or less.

Description of Debt (a)	Specific or Range of Stated Dates of Issue (b)	Specific or Range of Stated Dates of Maturity (c)	Specific or Range of Interest Rates (d)	
Other Long-Term Debt (Acct. 4270):				
Martin and Associates	03/06/1995	03/06/2000	8.3900	1
Total Other Long-Term Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
8.3900			34,523	25,136	59,659	1
	0	0	34,523	25,136	59,659	

CAPITAL STOCK ACCOUNTS AT END OF YEAR

In column (a) indicate the stated dividend rate applicable to each series of preferred stock.

Class and Series (a)	Shares Authorized by Charter (b)	Par Value per Share (c)	Call Price End of Year (d)
COMMON STOCK:			
Common Stock	1,000	50.00	1
TOTAL COMMON STOCK	1,000		
TOTAL	1,000		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares	Amount	Shares	Amount	
	(e)	(f)	(g)	(h)	
COMMON STOCK:					
Common Stock	300	15,000			1
	300	15,000	0	0	
TOTAL	300	15,000	0	0	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	1,781,311	1,708,909	1
Changes:			
Balance Transferred from Income	167,015	72,402	2
Dividends Declared:			
Common			3
Preferred			4
Total Dividends Declared	0	0	
Miscellaneous Debits to Retained Earnings			5
Miscellaneous Credits to Retained Earnings			6
Balance--End of Year	<u>1,948,326</u>	<u>1,781,311</u>	

DISTRIBUTION OF TAXES

1. Report hereunder the summary accounts and functions charged with taxes accrued during the year.
2. Where allocation is necessary, explain the basis used.
3. Report in a footnote the amounts and kind of taxes cleared from prepaid taxes, if any.

Summary Account/ Function Charged (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	
Operating Taxes (Accts. 7210 - 7250)	44,153	10,300	36,843	1
Nonoperating Taxes (Accts. 7410 - 7450)		6,746	22,670	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		4,429	14,923	4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
Account 7366 - Property Tax				10
TOTAL	44,153	21,475	74,436	

DISTRIBUTION OF TAXES (cont.)

PSC Remainder Assessment (e)	Local Property Tax (f)	State & Local Taxes Other than Wisconsin (g)	Other Taxes (h)	Payroll Taxes (i)	Total (j)	
3,549		1,701			96,546	1
					29,416	2
					0	3
					19,352	4
					0	5
					0	6
				34,554	34,554	7
				560	560	8
				855	855	9
	651				651	10
3,549	651	1,701	0	35,969	181,934	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	209,039	164,106	1 D
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	209,039	164,106	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	48,448	47,980	11
Switched Access Revenue (5082)*	399,245	355,860	12
Special Access Revenue (5083)*			13
TOTAL INTERSTATE ACCESS REVENUES (5080)	447,693	403,840	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	149,767	139,308	15
Special Access Revenue (5084.3)*			16
TOTAL INTRASTATE ACCESS REVENUES (5084)	149,767	139,308	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*			17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	0	0	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	26,399	23,800	30
Rent Revenue (5240)*			31
Corporate Operations Revenue (5250)*			32
Miscellaneous:			
Miscellaneous Revenue (5260)*	8,905	6,208	33
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	8,905	6,208	
Interstate Billing and Collection Revenue*	37,513	38,534	39
Intrastate Billing and Collection Revenue*	30,661	42,010	40 E
Total Carrier Billing and Collection Revenue (5270)*	68,174	80,544	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	103,478	110,552	
GROSS OPERATING REVENUES	909,977	817,806	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	787		42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	787	0	
TOTAL OPERATING REVENUES	909,190	817,806	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)		0	7,699	1
Less: Nonregulated		0		2
Net Regulated	0	0	7,699	3
Total General Support Expense (6120)	35,852	37,412	14,350	4
Less: Nonregulated		0		5
Net Regulated	35,852	37,412	14,350	6
Total Central Office Switching Expense (6210)	42,375	35,463	18,357	7
Less: Nonregulated		0		8
Net Regulated	42,375	35,463	18,357	9
Total Operator Systems Expense (6220)		0		10
Less: Nonregulated		0		11
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	2,136	3,928		13
Less: Nonregulated		0		14
Net Regulated	2,136	3,928	0	15
Total Information Orig. / Term. Expense (6310)	506	415		16
Less: Nonregulated		0		17
Net Regulated	506	415	0	18
Total Cable and Wire Fac. Expense (6410)	144,384	143,345	72,992	19
Less: Nonregulated		0		20
Net Regulated	144,384	143,345	72,992	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	225,253	220,563	113,398	
Less: Nonregulated	0	0	0	
Net Regulated	225,253	220,563	113,398	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	0	0	0	22
Less: Nonregulated		0		23
Net Regulated	0	0	0	24
Total Network Operations Expense (6530)	8,667	10,518		25
Less: Nonregulated		0		26
Net Regulated	8,667	10,518	0	27
Access Expense (6540)		0		28
Less: Nonregulated		0		29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	169,220	168,773		31
Less: Nonregulated	9,877	3,334		32 F
Net Regulated	159,343	165,439		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	177,887	179,291	0	
Less: Nonregulated	9,877	3,334	0	
Net Regulated	168,010	175,957	0	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110	2,148		44,222	(54,069)	1
					2
	2,148	0	44,222	(54,069)	3
6120	4,182		15,208	3,672	4
					5
	4,182	0	15,208	3,672	6
6210	5,068		8,003	4,035	7
					8
	5,068	0	8,003	4,035	9
6220					10
					11
	0	0	0	0	12
6230			3,928		13
					14
	0	0	3,928	0	15
6310			415		16
					17
	0	0	415	0	18
6410	21,206	4,142	29,086	15,919	19
					20
	21,206	4,142	29,086	15,919	21
	32,604	4,142	100,862	(30,443)	
	0	0	0	0	
	32,604	4,142	100,862	(30,443)	
6510	0	0	0	0	22
					23
	0		0	0	24
6530			10,518		25
					26
	0	0	10,518	0	27
6540					28
					29
	0	0	0	0	30
6560			168,773		31
			3,334		32 F
			165,439		33
	0	0	179,291	0	
	0	0	3,334	0	
	0	0	175,957	0	

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	543	1,850		34
Less: Nonregulated		0		35
Net Regulated	543	1,850	0	36
Total Services (6620)	148,619	158,036	43,661	37
Less: Nonregulated		0		38
Net Regulated	148,619	158,036	43,661	39
TOTAL CUSTOMER OPERATIONS EXPENSE	149,162	159,886	43,661	
Less: Nonregulated	0	0	0	
Net Regulated	149,162	159,886	43,661	
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	20,698	25,342	19,337	40
Less: Nonregulated		0		41
Net Regulated	20,698	25,342	19,337	42
Total General and Administrative (6720)	108,408	140,488	47,801	43
Less: Nonregulated		0		44 G
Net Regulated	108,408	140,488	47,801	45
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
TOTAL CORPORATE OPERATIONS EXPENSE	129,106	165,830	67,138	
Less: Nonregulated	0	0	0	
Net Regulated	129,106	165,830	67,138	
TOTAL EXPENSES	681,408	725,570	224,197	
Less: Nonregulated	9,877	3,334	0	
Net Regulated	671,531	722,236	224,197	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610			1,850		34
					35
	0	0	1,850	0	36
6620	13,017		101,358		37
					38
	13,017		101,358	0	39
	13,017	0	103,208	0	
	0	0	0	0	
	13,017	0	103,208	0	
6710	5,761		244		40
					41
	5,761		244	0	42
6720	13,973		78,714		43
					44 G
	13,973		78,714	0	45
6790					46
					47
			0		48
	19,734	0	78,958	0	
	0	0	0	0	
	19,734	0	78,958	0	
	65,355	4,142	462,319	(30,443)	
	0	0	3,334	0	
	65,355	4,142	458,985	(30,443)	

EXPENSE MATRIX - CLASS A & B (DETAIL)

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries/ Wages (d)	
Property Held for Future Tele. Use Exp. (6511)		0		1
Provisioning Expense (6512)		0		2
Total: Reported in Account 6510	0	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	168,462	168,773		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0		4
Amortization Expense--Tangible (6563)	758	0		5
Amortization Expense--Intangible (6564)		0		6
Amortization Expense--Other (6565)		0		7
Total: Reported in Account 6560	169,220	168,773		

EXPENSE MATRIX - CLASS A & B (DETAIL) (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511					1
6512					2
	0		0	0	
6561			168,773		3
6562					4
6563					5
6564					6
6565					7
			168,773		

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to Department of Justice and telephone relay assessments.

Description (a)	This Year (b)	
Gross Operating Revenues	909,977	1
Plus: Collection of amounts previously written off	0	2
Less: Uncollectibles written off during the year	787	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Uncollectible Revenue (included in Gross Oper. Rev. on Line 1)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)	143,971	7 H
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder, Department of Justice, and Telephone Relay Assessment Purposes	765,219	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	209,039	1
Plus: Total Intrastate Access Revenues (5084)	149,767	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)	67,626	4 H
Plus (or Less) Other (please specify): NONE	0	5
Assessable Revenues for Universal Service Fund Assessment Purposes	291,180	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	909,977	1
Plus: Collection of amounts previously written off	0	2
Less: Uncollectibles written off during the year	787	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Uncollectible Revenue (included in Gross Oper. Rev. on Line 1)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)	143,971	7 H
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	765,219	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	209,039	1
Plus: Total Intrastate Access Revenues (5084)	149,767	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)	67,626	4 H
Plus (or Less) Other (please specify): NONE	0	5
Assessable Revenues for Universal Service Fund Assessment Purposes	291,180	

OTHER INCOME ACCOUNTS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*			1
Return from Nonregulated Use of Regulated Facilities (7130)*			2
Gains and (Losses) from Foreign Exchange (7140)			3
Gains or (Losses) from the Disposition of Land and Artworks (7150)			4
Other Operating Gains and (Losses) (7160)*			5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	0	0	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(344)	(351)	6
Operating Federal Income Taxes (7220)*	24,267	18,406	7
Operating State and Local Income Taxes (7230)*	6,616	5,754	8
Operating Other Taxes (7240)*	49,403	43,360	9
Provision for Deferred Operating Income Taxes--Net (7250)*	16,604	10,417	10
TOTAL OPERATING TAXES (7200)*	96,546	77,586	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*			11
Interest Income (7320)*	15,400	13,014	12
Income from Sinking and Other Funds (7330)*			13
Allowance for Funds Used During Construction (7340)*			14
Gains or (Losses) from the Disposition of Certain Property (7350)*		9,787	15
Other Nonoperating Income (7360)*	72,189	20,729	16
Special Charges (7370)*	7,566	8,657	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	80,023	34,873	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*			18
Nonoperating Federal Income Taxes (7420)*	24,799	7,409	19
Nonoperating State and Local Income Taxes (7430)*	7,358	3,522	20
Nonoperating Other Taxes (7440)*			21
Provision for Deferred Nonoperating Income Taxes--Net (7450)*	(2,741)	(3,898)	22
TOTAL NONOPERATING TAXES (7400)*	29,416	7,033	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*			23
Interest Expense--Capital Leases (7520)*			24
Amortization of Debt Issuance Expense (7530)*			25
Other Interest Deductions (7540)*	7,375	8,195	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	7,375	8,195	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*			27
Extraordinary Income Credits (7610)			28
Extraordinary Income Charges (7620)			29
Current Income Tax Effect of Extraordinary Items--Net (7630)			30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)			31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	33,375	(15,932)	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	140,618	1
Less: Cost of Goods Sold	49,475	2
Net Sales	91,143	3
Expenses (Acct. 7990.2)	57,768	4
Nonregulated Net Income	33,375	5

List the type of nonregulated activities that company is involved in:

NONREGULATED ACTIVITIES INCLUDE THE SALE AND MAINTENANCE OF CELLULAR
TELEPHONES, OTHER CUSTOMER PREMISE EQUIPMENT, INTERNET SERVICES AND THE
MAINTENANCE OF INSIDE WIRING.

If the revenues from an individual nonregulated activity represent in excess of 5% of the total operating revenues for the company, please provide the amounts, as requested above, for that individual activity:

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	224,197	1
Nonregulated Expense	16,278	2
Plant Accounts	112,738	3
Accumulated Depreciation Accounts		4
All Other Accounts	98,479	5
Total Salaries and Wages	451,692	6

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	2.00	2.00	74,802	1
Supervision and Other Management	1.00	1.00	42,757	2
Other Employees	10.00	10.00	334,133	3
Total	13.00	13.00	451,692	

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	2.00	2.00	74,802	1
Supervision and Other Management	1.00	1.00	42,757	2
Other Employees	10.00	10.00	334,133	3
Total	13.00	13.00	451,692	

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	76	0	1
Extended Area Service	90	0	2
Extended Community Calling	160	630	3
Other Local-Undefined			4
Total Local	326	630	
TOLL			
Operator Handled: State--intraLATA	0	2	5
Operator Handled: State--interLATA	0	5	6
Operator Handled: Interstate	0	9	7
Customer Dialed: State--intraLATA	7	76	8
Customer Dialed: State--interLATA	17	184	9
Customer Dialed: Interstate	23	305	10
WATS	0	0	11
Other Toll-Undefined	0	0	12
Total Toll	47	581	
Total Local & Toll	373	1,211	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	0	0	0	0	1
Feature Group A -- Term.	11	9	0	0	2
Feature Group B -- Orig.	0	0	0	0	3
Feature Group B -- Term.	32	8	0	0	4
Feature Group C -- Orig.	0	0	370	25	5
Feature Group C -- Term.	0	0	539	44	6
Feature Group D -- Orig.	1,442	1,003	0	0	7
Feature Group D -- Term.	2,086	1,183	0	0	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	12	1
Sheath miles of plant - buried	104	2
Sheath miles of plant - fiber optics	0	3
Strand miles of plant - fiber optics	0	4
Route miles of plant - microwave	0	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	1	3	1
56 kbps	1	0	2
64 kbps (DS0)	0	0	3
1.54 Mbps (DS-1)	0	0	4
45 Mbps (DS-3)	0	0	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	12	1
Sheath miles of plant - buried	104	2
Sheath miles of plant - fiber optics	0	3
Strand miles of plant - fiber optics	0	4
Route miles of plant - microwave	0	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	1	3	1
56 kbps	1	0	2
64 kbps (DS0)	0	0	3
1.54 Mbps (DS-1)	0	0	4
45 Mbps (DS-3)	0	0	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	208	217	3
2 Party	0		4
4 Party	0		5
PBX Trunks/System Trunks	0		6
Centrex Trunks	0		7
Centrex Lines	0		8
Key System Trunks	0		9
Mobile (Utility Provided Service)	0		10
Paging (Utility Provided Service)	0		11
FX-Out (Switched)	0		12
Pay Telephone		7	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	0	0	15
Pay Stations - Public	0		16
- Semi-Public	9	0	17
- Cust. Owned	0		18
Other	0		19
Total Business Lines	217	224	20
Residential (Incl. Emp. Concess.)			
1 Party	855	860	22
2 Party	0		23
4 Party	0		24
FX-Out (Switched)	2	2	25
Other	0		26
Total Residential Lines	857	862	27
Total Bus & Res Lines	1,074	1,086	28
Company Used Lines	175	168	29
Total Lines Used	1,249	1,254	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	0	0	3
WATS Lines - 800 Service	0	0	4
FX-In-intraLATA	0	0	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	4	3	7
Special Access-interLATA			8
(expressed in equiv. access lines)	1	2	9
Feature Group A Lines	0	0	10
Feature Group B Trunks	0	0	11
Feature Group C Trunks	0	0	12
Feature Group D Trunks	120	120	13
TSPS - Trunks	18	18	14
EAS - Trunks	50	54	15
Cellular Trunks (Pub. Sw. Net.)	0	0	16
Video Distance Learning			17
- discounted (special tariff)	0	0	18
Customers			
Business - 2 Party Customers	0	0	20
Business - 4 Party Customers	0	0	21
Residential - 2 Party Customers	0	0	22
Residential - 4 Party Customers	0	0	23
Other			
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical location of plant)	1,193,276	1,430,188	27
Total Company Square Miles	45	45	28
Total Company Route Miles	255	255	29
Footnotes		I	30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	4820	4987			1
Business					2
1 Party	186	31			3
2 Party					4
4 Party					5
PBX Trunks/System Trunks					6
Centrex Trunks					7
Centrex Lines					8
Key System Trunks					9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)					12
Pay Telephone	6	1			13
Coin-Operated Pay Telephone	0	0			14
Independent Pay Telephone Provider	0	0			15
Pay Stations - Public					16
- Semi-Public	0	0			17
- Cust. Owned					18
Other					19
Total Business Lines	192	32	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	724	136			22
2 Party					23
4 Party					24
FX-Out (Switched)	2				25
Other					26
Total Residential Lines	726	136	0	0	27
Total Bus & Res Lines	918	168	0	0	28
Company Used Lines	157	11			29
Total Lines Used	1,075	179	0	0	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	4820	4987			1
Miscellaneous					2
WATS Lines - OutWATS	0	0			3
WATS Lines - 800 Service	0	0			4
FX-In-intraLATA	0	0			5
Special Access-intraLATA					6
(equiv. access lines)	3	0			7
Special Access-interLATA					8
(equiv. access lines)	2	0			9
Feature Group A Lines	0	0			10
Feature Group B Trunks	0	0			11
Feature Group C Trunks	0	0			12
Feature Group D Trunks	120	0			13
TSPS - Trunks	10	8			14
EAS - Trunks	54	0			15
Cellular Trunks (Pub. Sw. Net.)	0	0			16
Video Distance Learning					17
- discounted (special tariff)	0	0			18
Customers					19
Business - 2 Party Customers	0	0			20
Business - 4 Party Customers	0	0			21
Residential - 2 Party Customers	0	0			22
Residential - 4 Party Customers	0	0			23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	1,353,980	76,208			27
Exchange Square Miles	27	18			28
Exchange Route Miles	167	88			29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

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CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	SHARON	SOUTH SHARON			1
PSCW Exchange ID	4820	4987			2
Central Office Name	SHARON	SOUTH SHARON			3
PSCW Central Office ID	1	1			4
Manufacturer of COE (Page 54)	NTI	NTI			5
Year COE Installed	1993	1993			6
Type of Equipment (Page 54)	D	D			7
(S)tandalone, (H)ost, (R)emote	H	R			8
Remote Host PSCW Exchange ID		4820			9
Remote Host PSCW Central Office ID		1			10
COE Generic Software Release No.	406.10	406.10			11
SS7?	No	No			12
9-1-1?	Yes	Yes			13
Access Lines - In Use	1,232	179			14
- Equipped	1,400	179			15
- Wired	2,500	0			16
Trunks - In Use	209	8			17
- Equipped	209	8			18
- Wired	238	0			19
ISDN Available?	No	No			20
ISDN Lines - In Use (BRI)	0				21
- In Use (PRI)	0				22
Switched 56 Service?	No	No			23
Switched 56 lines in use	0				24
Digital Transmission Facilities: DS-1 - In Use	21	0			25
DS-3 - In Use	0	0			26
Advanced Data Service Available:					
Packet Switching?	No	No			27
SMDS?	No	No			28
Frame Relay?	No	No			29
ATM (Asynchronous Trans. Mode)?	No	No			30
Video Information - Service Available?	No	No			31
- In Use (# lines) ¹	0				32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	0	0			33
No. of fiber strands working (LIT) in C.O.	0	0			34
No. of fiber strands for interoffice use	0	0			35
Miles of fiber sheath in wire center	0	0			36
Access Tandem Serving this C.O.:					
- C.O. Name	MILWAUKEE	MILWAUKEE			37
- PSCW C.O. ID	3420-01	3420-01			38
Does this C.O. do access tandem switching?	No	No			39
Equal Access: InterLATA (1+)?	Yes	Yes			40
Equal Access: IntraLATA (1+)?	Yes	Yes			41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**General Footnote**

Schedule Footnotes

Schedule Line Footnotes

- A)** Represents transfers of 12/31/96 plant items for Darien from nonregulated plant to regulated plant.
- B)** Per FCC and PSC orders, public telephone terminal equipment transferred to nonregulated plant effective April 15, 1997.
- C)** Depreciation provision of \$4,942 was allocated to Bergen Telephone Company under an affiliated interest agreement.
- D)** Basic local service revenue increased primarily due to approved local rate increases that were effective october 1, 1996 and November 1, 1997. 1997 reflected a full year of increased local service revenues.
- E)** Intrastate billing and collection revenues decreased due to some carriers now doing their own billing services.
- F)** Due to a change in certain operations including the expansion of telephone service outside the companys local serving area, less time and corresponding depreciation allocation was charged to nonregulated activities.
- G)** Other general and administrative charges increased primarily due to the legal fees incurred in connection with the extension of services into GTE s serving area of Darien, Wisconsin.
- H)** Operating revenues applicable to Illinois customers.
- I)** Darien service data not included in above EOY totals:
- Business - 1 party - 37
 Pay stations - semi-public - 5
 Total business lines - 42
- Residential - 1 party - 20
 Company used lines - 5
 Total lines used - 67